of large inventories and action taken to bring down the inventories with results thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARMA): (a) to (d) The Oil Companies have laid down certain internal norms based on operating experience, actual average procurement lead time, consumption pattern and safeguards for uninterrupted operations etc.

The Oil Companies maintain inventories due to certain specific circumstances such as:—

(i) Multidisciplinary activities and the requirement of variety of equipment.

(ii) Rapid change in technology.

(iii) Long lead time for imported items.

(iv) Operational requirement.

The inventory levels are regularly reviewed and monitored at the unit, regional and Headquartrs levels and corrective measures taken wherever necessary.

Contract between ONCC and private sector for Oil Exploration

254. SHRI KRISHNA KUMAR BIRLA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government and the Oil and Natural Gas Commission have signed production sharing contract with a number of private sector firms;

(b) if so, the details of the agreement held with the private firms, firmwise;

(c) the locations where oil exploration works would be undertaken; and

(d) to what extent the target of oil exploration is likely to be achieved?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARMA): (a) Government have approved the finalisation of five production sharing contracts in the Fourth Round of bidding for exploration for oil and gas.

(b) and (c) The companies which have been approved for award of contracts are Albion International Resources, USA, Pan Energy Resources, USA, Vaalco Energy, USA, Coplex Resources, Australia, Pan, Pacific Petrolaeum, Australia, Niko Resources, Canada, Shell Netherlands, Hindustan Oil Exploration Company, India, Mafatlal Industries, India, Tata Petrodyne, India and Transasia Consultants, India. These companies would be carrying out exploration work in blocks located in the Rajasthan, Pranhita-Godavari and Gujarat-Kutch onshore basins and the Krishno-Godavari and Cauvery offshore basins.

(d) Production of oil or gas from these blocks would depend on the establisment of hydrocarbon reserves.

Committee on Gas Shrinkage

255. SHRI KRISHNA KUMAR BIRLA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have set up a Committee to define norms for gas shrinkage;

(b) if so, the composition of the Committee;

(c) whether the Oil and Natural Gas Commission and Gas Authority of India Limited which drill for crude production as well as process to varying degrees for different and users causing the volume of gas to strink;

(d) if so, the steps Government propose to take to check shrinkage by both oil companies; and

(e) by when the Committee set up or the purpose is likely to submit its report to Government?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARA): (a) and (b) A Committee consisting of two former Advisors of the Ministry of Petroleum and Natural, Gas and two officials from Gas Authority of India Ltd. and Engineers India Ltd. was constituted to suggest, among other things, the general principles for projecting shrinkage on account of extraction of LPG and C2|C3 from natural gas and to examine the pojections made by Oil and Natural Gas Corporation Ltd. Oil India Ltd. and Gas Authority of India Ltd. in this regard.

(c) and (d) Shrinkage occurs in the normal course due to the extraction of LPG and C2|C3 from natural gas.

(e) The Committee has submitted its Report.

Proposals by Central region of ONGC for discovery of oil

256. SHRI MD. SALIM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that ONGC has discovered oil in two wells viz. Ichapur-1 (oligocene sands) and 'Golf Green-1' (Eocene Limestone) in West Bengal;

(b) whether it is also a fact that 9 new locations proposed by the Central Region of ONGC to follow up the discoveries of Golf Green and Ichapur have been turned down by the management of ONGC; and

(c) if so, what are the reasons therefor;

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARA): (a) The oil shows in these places are insignificant and non-commercial in nature.

(b) and (c) Of the 9 locations proposed, one location was for Golf Green area and 4 were for Shantipur-Badculla area which is closer to Ichapur. Of these five, one location (Shantipur-1) is already upgraded and scheduled for drilling and another 'A' Category location is already available in Badculla area. Golf Green area is being covered by 3-D seismic surveys. Future programme will be decided only after getting the results of the surveys. The remaining 4 locations were for other areas which were not agreed to because of the discouraging exploratory results in those areas or negative techno-economic or or want of additional information.

Oil Exploration by ONGC at Chandkuri and Ichapur inWest Bengal.

257. SHRI DIPANKAR MUKHERJEE:

SHRIMATI CHANDRAKALA PANDEY:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that ONGC has discovered an oil bearing core from the Palcocene reservoir (with extractable oil) of Chandkuri 1 in Contai area of West Bengal;

(b) whether it is also fact that the ONGC management has intentionally spiked the poposal of the erstwhile Chairman P. K. Chandra to drill a subsequent well Chandkuri 2 wnere comercial oil pool is expected;

(c) whether it is also a fact that ONGC management is offering the oil bearing area of Ichapur and Chandkuri to foreign companies for oil exploration; and

(d) if so, the details thereof and reason therefor?